NATIONAL CANNERS ASSOCIATION

INFORMATION LETTER

PUBLICATION OR REPRODUCTION NOT PERMITTED

No. 523 Washington, D. C. October 13, 1934

LABELING COMMITTEE COMMENTS ON REPORT OF GOVERNMENT ADVISORY COMMITTEE

Plans for carrying forward the development of descriptive labeling were announced in last week's Information Letter. The Labeling Committee in charge of this work has made the following statement regarding the report of the advisory committee of government representatives which was reproduced in last week's Letter.

The Administration's press release, in a statement preceding the text of the report, says that "the report takes issue with the members of the Labeling Committee on the question of discarding the A B C or other similar systems of grading and insists that such a system plus additional explanatory descriptions will be necessary to inform the consumer just what type and quality of product is contained within the can."

That the A B C grades which advisers to the NRA previously insisted should be adopted by the canning industry are unenforceable, is admitted in the report itself. The report does not state this directly. Instead, it announces that "the Department of Agriculture has worked out plans looking to the complete standardization of canned products in such a manner as to leave no doubt as to their enforceability," and that a draft of quality standards for canned tomatoes has been formulated "sufficiently definite and objective to be enforceable in an action under a criminal statute." There is thus acknowledged the soundness of the canning industry's opposition to the adoption of grades that include intangible factors and the use of such grades on the label.

The report does not indicate the nature of the revision being made in the A B C grades other than that, in the case of canned tomatoes, the standards will be "sufficiently definite and objective as to be enforceable." As explained, however, by those who have been working on the revision, the factor of flavor will not be included.

Besides abandoning the earlier recommendation that the industry adopt, for the purpose of label requirements, the A B C grades as then formulated, the advisers admit the value of the descriptive system recommended by the industry's label committee by proposing that the label carry both a statement of grade and such additional explanatory statements as may be appropriate. The label would thus carry a grade designation based upon factors other than flavor, which designation would, it is assumed, acquaint the consumer with the quality of the product in the can.

If the factor of flavor is so important as the proponents of the A B C grading system have heretofore contended, then its omission in the determination of a quality grade to be carried on the label will tend to deceive the consumer, who in her own mind will interpret the grade designation as covering flavor along with other factors.

The plan of the Labeling Committee proposes to use on the label descriptive terms for which it is possible to develop objective tests, and it now appears that the revised A B C grades are to be based solely on factors sufficiently definite and objective as to be enforceable. Thus, the difference between the proposed systems is that the Labeling Committee proposes to give the consumer the actual information, while the A B C system proposes to give the consumer a quality designation based upon factors the identity of which the consumer does not know and from which is omitted at least the one important factor of flavor that the consumer would expect to be included in a quality symbol.

DATA DESIRED BY COMMITTEE ON RECIPROCITY INFORMATION

A memorandum has been issued by the Committee for Reciprocity Information under date of October 9, concerning the information relating to foreign trade agreements that might most usefully be supplied by the industries concerned. This memorandum outlines the procedure for submitting data to the Committee as already described in the Association's INFORMATION LETTER for September 15. It then states:

Specifically, information from Business interests is desired along the following lines:

1. *Trade Restrictions Imposed by Foreign Governments.*—Although agencies of this Government have full information concerning foreign tariffs and other measures affecting the importation and sale of American products abroad, there may be practices by foreign administrative authorities, not provided for by published laws or regulations, and other matters, with which American businessmen have had experience. For example, there may be foreign regulations regarding packing which are known to the interested agencies of this Government but the actual effects of which on American trade may be known only to traders having actual experience with them. The injurious effects of any such practices or regulations on American trade should be reported to the Committee for Reciprocity Information, in care of the United States Tariff Commission, Washington, D. C.

2. *Foreign Tariff Rates Which, if Modified, Would Substantially Increase Exports to the Country Concerned.*—American exporters may know of instances in which the tariff rates of foreign countries are higher than seem necessary for the protection of domestic industry or are imposed on commodities the domestic production of which is very small in relation to total consumption of such products in the foreign country concerned. High prices to foreign consumers resulting from high tariff rates, rather than any advantages enjoyed by local producers, may be the principal limiting factor in retarding the expansion of the market for the products affected. In some cases, American exporters may be in a position to indicate the extent to which certain foreign customs duties must be reduced in order to permit a substantial increase of exports to the countries concerned.

In so far as competition from producers in other countries is an important factor, it is to be borne in mind that it will not normally be possible, owing to the existence of the most-favored-nation policy or obligations of the country concerned, to obtain a lower rate on imports from the United States than from other exporting countries. Moreover,

it is the established general policy of this country to accord equal treatment in customs matters to foreign countries and to seek such treatment for American commerce.

3. *Products or Varieties of a Product on Which Concessions Might Be Obtained.*—In many cases, trade statistics and tariff classifications refer to groups of products in which there may be special products or varieties of products not distinguished in tariff or statistical nomenclature. For example, doughnut machines may not be mentioned specifically in the tariff or in the import statistics of a given foreign country. Although it might be impossible to obtain a concession on "machinery, not specially provided for," it might be possible to secure a reduction in the rate of duty on doughnut machines. American producers should call attention to any such products or special varieties of products for which the foreign country concerned is of actual or potential importance as a market. Such concessions might be exchanged with the object of expanding the export trade in lines most profitable to the American industry, even though some contraction of domestic sales of the less profitable lines might result.

4. *Products or Varieties of a Product on Which Concessions Might Be Granted.*—American business interests might call attention to dutiable products or varieties of products, including those not specially provided for in the tariff, on which the United States customs duties might well be reduced because of their minor importance to the industries concerned. Offers of such tariff reductions might be of considerable bargaining value in obtaining concessions from foreign countries on articles of importance to American producers.

RAIL RATE HEARINGS TO BE RESUMED LATER

Following the presentation by carriers of testimony in support of their petition for an increase in freight rates, the hearings before the Interstate Commerce Commission were suspended and will be resumed at a date to be announced later. It is anticipated that hearings will be held at different cities, including Denver, Salt Lake City, San Francisco, Portland, Oreg., Chicago, Dallas, and Birmingham.

CANNING CROP FORECASTS

The following statements briefly review the current releases of the Bureau of Agricultural Economics on certain commercial canning crops, the information relating to reported conditions on October 1:

Tomatoes

Prospective production of tomatoes for manufacture declined 6.5 per cent during September as a result of excessive rains in some areas and of further deterioration of this crop in areas which had been previously stricken by drought. Based upon reported condition and probable yield per acre on October 1, the 1934 production is 30 per cent larger than the light production of 1933 and is 8.5 per cent above the 5-year average production. A total production of 1,403,400 tons is now indicated for 1934 compared with 1,077,700 tons in 1933 and with a 5-year average production of 1,293,000 tons. The indicated yield per acre of 3.45 tons is 15 per cent below the 5-year average yield. During September the crop declined in the Tri-State area, Virginia, Illinois, Iowa, Missouri,

Arkansas, Kentucky, Tennessee, Colorado, and Utah. Prospects improved somewhat in New York, Ohio, and Indiana.

Should the indicated production of 1,403,400 tons materialize, the 1934 pack of canned tomatoes would probably be equivalent to about 14,500,000 cases of 24 No. 3 cans, according to the relationship in past years between estimated production and size of the pack. This estimate of pack assumes that about one-half the total tonnage of tomatoes for manufacture will be packed as canned tomatoes, the remainder going into catsup, juice, pulp, etc. In 1933 the pack of canned tomatoes totaled 11,986,000 cases of No. 3 cans; for the 5-year period preceding 1933, it averaged about 12,250,000 cases.

State	Acreage		Yield per acre		Production forecast	
	1933	1934	1933	1934	1933	1934
	Acres	*Acres*	*Tons*	*Tons*	*Tons*	*Tons*
New York	12,300	16,200	6.2	7.2	76,300	116,600
New Jersey	27,000	30,000	3.3	4.8	89,100	144,000
Pennsylvania	6,000	8,000	4.2	4.4	25,200	35,200
Ohio	9,800	11,500	7.4	6.0	72,500	69,000
Indiana	53,000	88,000	4.0	3.9	212,000	343,200
Illinois	5,000	14,600	3.0	1.7	15,000	24,800
Michigan	2,500	3,250	7.4	5.5	18,500	17,900
Iowa	4,500	7,360	5.0	1.9	22,500	14,000
Missouri	12,000	24,000	3.4	.2	40,800	4,800
Delaware	12,000	15,900	2.3	2.8	27,600	44,500
Maryland	43,000	56,200	3.0	3.4	130,800	191,100
Virginia	16,500	20,000	2.8	2.5	46,200	50,000
Kentucky	4,000	7,300	2.0	1.5	8,000	11,000
Tennessee	6,600	10,300	2.6	1.8	17,200	18,500
Arkansas	15,000	22,000	2.3	.2	34,500	4,400
Colorado	1,400	2,940	6.8	3.8	9,500	11,200
Utah	3,600	5,800	8.6	5.0	31,000	29,000
California	30,470	46,700	5.4	5.0	164,500	233,500
Other States (a)	10,780	17,080	3.4	2.4	36,500	40,700
U. S. Total	276,050	407,130	3.90	3.45	1,077,700	1,403,400

a "Other States" include: Connecticut, Florida, Georgia, Kansas, Louisiana, Mississippi, Nebraska, North Carolina, New Mexico, Oklahoma, Oregon, South Carolina, Texas, Washington, West Virginia, and Wisconsin.

Green Lima Beans

Based upon reported condition and probable yields per acre on October 1, the prospective production of green lima beans for manufacture in 1934 is indicated at 17,170 tons compared with 8,860 tons produced in 1933 and with an average of 12,620 tons for the 4-year period preceding 1933. Growing conditions have been unusually good in most areas, and the expected yields per acre are better than average.

State	Acreage		Yield per acre		Production forecast	
	1933	1934	1933	1934	1933	1934
	Acres	*Acres*	*Pounds*	*Pounds*	*Tons*	*Tons*
New Jersey	1,600	2,000	1,250	1,500	1,000	1,500
Delaware	4,100	6,640	800	1,500	1,640	4,980
Maryland	2,000	4,600	800	1,200	800	2,760
Virginia	4,750	5,400	1,380	1,700	3,280	4,590
Michigan	1,100	2,550	1,150	1,100	630	1,400
Other States (a)	2,880	3,810	1,043	1,018	1,510	1,940
U. S. Total	16,430	25,000	1,079	1,374	8,860	17,170

a "Other States" include: Colorado, Georgia, Illinois, Indiana, Minnesota, New York, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Washington, and Wisconsin.

Beets

Prospective production of canning beets in 1934 is 52 per cent larger than the 1933 production and is 5 per cent above the 4-year average production, according to October 1 reports on probable yield per acre and condition of the crop on that date. A total production of 37,600 tons is indicated for 1934 compared with 24,800 tons produced in 1933 and with a 4-year average of 35,900 tons for the period 1929-1932. Yields per acre are averaging better than anticipated earlier in the season and, for most states, are above the 4-year average.

State	Acreage		Yield per acre		Production forecast	
	1933	1934	1933	1934	1933	1934
	Acres	*Acres*	*Tons*	*Tons*	*Tons*	*Tons*
New York	1,300	1,690	6.0	7.2	7,800	12,200
New Jersey	200	200	8.0	7.5	1,600	1,500
Indiana	220	380	5.0	3.2	1,100	1,200
Michigan	300	500	3.9	6.5	1,200	3,200
Wisconsin	980	1,600	8.0	7.5	7,800	12,000
Oregon	350	400	4.0	4.8	1,400	1,900
Other States (a)	690	960	5.7	5.8	3,900	5,600
U. S. Total	4,040	5,730	6.15	6.56	24,800	37,600

a "Other States" include: Colorado, Delaware, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Minnesota, Mississippi, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, and Washington.

Cabbage for Kraut

The indicated production of cabbage for kraut, according to the October 1 reports on probable yield per acre and condition of the crop, is 78 per cent larger than the light production of 1933 and is slightly above the 5-year average production. A total production of 169,500 tons appears likely for 1934 compared with a production of 95,400 tons in 1933 and with a 5-year average of 165,900 tons. The estimate of 169,500 tons includes tonnage of kraut cabbage expected to be secured from both the contract and open-market acreages. The allowance for open-market tonnage has been based upon packers' earlier expectations concerning amounts they would probably purchase outside of contracts to fill their total requirements of cabbage for kraut manufacture.

State	Acreage		Yield per acre		Production forecast	
	1933	1934	1933	1934	1933	1934
	Acres	*Acres*	*Tons*	*Tons*	*Tons*	*Tons*
New York	6,900	6,000	6.6	9.2	45,500	55,200
Ohio	1,800	2,440	3.4	8.6	6,100	21,000
Indiana	1,600	2,000	4.0	7.5	6,400	15,000
Illinois	600	720	4.5	5.5	2,700	4,000
Michigan	700	1,200	5.6	9.5	3,900	11,400
Wisconsin	3,000	5,100	6.3	9.0	18,900	45,900
Minnesota	150	330	5.2	6.6	800	2,200
Colorado	200	300	11.0	7.5	2,200	2,200
Washington	200	290	9.0	6.0	1,800	1,700
Other States (a)	1,290	1,650	5.5	6.6	7,100	10,900
U. S. Total	16,440	20,030	5.80	8.46	95,400	169,500

a "Other States" include: Arkansas, Iowa, Maryland, New Jersey, Oregon, Pennsylvania, Tennessee, Utah, and Virginia.

Sweet Corn

With late plantings of sweet corn for manufacture yielding better than anticipated a month ago, prospective production is 4.5 per cent larger than the September 1 forecast. A total production of 481,500 tons is now indicated, compared with the light crop of 395,800 tons in 1933 and with a 5-year average of 625,100 tons. As a result of drought and insect damage in many areas, the indicated yield per acre on the 1934 acreage is 25 per cent below average.

The indicated production of 481,500 tons would be equivalent to a pack of about 12,000,000 cases of 24 No. 2 cans of sweet corn, according to the relationship in past years between estimated production and size of the pack. In 1933 the pack totaled 10,193,000 cases of equivalent cases of No. 2 cans; for the previous 5-year period it averaged 15,290,000 cases.

State	Acreage		Yield per acre		Production forecast	
	1933	1934	1933	1934	1933	1934
	Acres	*Acres*	*Tons (in husk)*		*Tons (in husk)*	
Maine	8,800	10,800	3.4	3.4	29,900	36,700
New Hampshire	570	730	2.7	2.5	1,500	1,800
Vermont	870	1,250	2.6	2.6	2,300	3,200
New York	12,700	14,200	1.6	2.3	20,300	32,700
Pennsylvania	3,000	4,800	1.7	1.7	5,100	8,200
Ohio	10,200	22,000	1.8	1.4	18,400	30,800
Indiana	26,600	38,700	1.3	1.4	34,600	54,200
Illinois	45,600	69,700	1.7	1.2	77,500	83,600
Michigan	2,900	5,000	.8	1.4	2,300	7,000
Wisconsin	4,200	12,600	2.4	2.1	10,100	26,500
Minnesota	34,000	52,700	2.9	1.5	98,600	79,000
Iowa	18,700	36,700	2.2	1.5	41,100	55,000
Nebraska	3,900	5,500	1.8	.2	7,000	1,100
Delaware	2,000	2,300	2.0	2.3	4,000	5,300
Maryland	19,600	30,000	1.8	1.4	35,300	42,000
Tennessee	730	1,950	3.2	2.5	2,300	4,900
Other States (a)	3,200	6,050	1.7	1.6	5,500	9,500
U. S. Total	197,570	314,980	2.00	1.53	395,800	481,500

a "Other States" include: Colorado, Idaho, Kansas, Kentucky, Missouri, Montana, Oklahoma, Oregon, South Dakota, Virginia, Washington, and Wyoming.

Pimientos

Prospective production of pimientos for manufacture declined slightly during September as a result of damage to the California crop from pepper weevil and warm weather. Prospective production in Georgia is about the same as indicated on September 1. For California and Georgia combined, a total production of 15,190 tons is now indicated for 1934 compared with the light production of 7,860 tons in 1933 and with a 5-year average of 15,000 tons.

State	Acreage		Yield per acre		Production forecast	
	1933	1934	1933	1934	1933	1934
	Acres	*Acres*	*Tons*	*Tons*	*Tons*	*Tons*
California	650	1,030	2.50	2.50	1,620	2,580
Georgia	5,200	8,700	1.20	1.45	6,240	12,610
U. S. Total	5,850	9,730	1.34	1.56	7,860	15,190

PICKLE PACKING CODE APPROVED

The National Industrial Recovery Board announced on October 5 its approval of a code of fair competition for the pickle packing industry, the code to become effective on Monday,

October 15. The industry employs about 7,500 workers. The NRA announcement states:

The order approving the code carried with it the stipulation that within 90 days after the effective date the industry must report on the operation of the provisions of Article III and IV, which contain the somewhat complicated maximum hour and minimum wage provisions, with a view to improving them. The industry contended they are necessary because of the perishable nature of their raw product.

The code provides a basic maximum 40-hour work week, and a maximum 9-hour day. Certain supervisory employees are exempted from the hours provisions. Route delivery salesmen employed on a commission basis are exempted, provided they regularly receive at least $25 a week averaged over a 4-week period. Employers are required to lay out routes so that under normal conditions salesmen can cover routes in not over nine hours, with an hour out for lunch.

A 60-hour week is allowed for eight weeks a year provided additional workers are not available and the work is required to prevent loss or deterioration of raw commodities caused by circumstances beyond control of the employer.

Minimum wages for office workers range from $14 to $16 a week, depending on population. Other employees will receive at least 32½ cents an hour for men and 27½ cents an hour for women in the north, with a 7½ cents southern differential at salting stations during the season. Non-seasonal minimum hourly rates are 22½ cents for women and 27½ cents for men in the south, 40 cents for men and 32½ cents for women in northern metropolitan areas over 100,000 population, and 35 cents for men and 30 cents for women elsewhere in the north.

The code authority will consist of six representatives of the National Pickle Packers Association, which sponsored the code, and three representatives of firms who are not members of that Association. A committee must be appointed within 90 days to study standardization and quality grading in the industry, and the committee is to submit its report within six months.

An open price association is established.

Growers must be paid for raw materials within two weeks, unless a written contract with different terms is filed with the Code Authority.

RECORD CANNED SALMON PACK IN ALASKA

This season's canned salmon pack in Alaska, through October 1, amounted to 7,313,476 cases, an increase of more than 2,000,000 cases, or about 40 per cent compared with the preceding year's pack, according to the U. S. Bureau of Fisheries.

All species except chums show a gain. The bulk of the increase was registered in pink salmon. In 1933, a noteworthy feature of the production was the almost equal volume of the two chief species—reds and pinks—approximately 2,180,000 cases of each being packed, while for 1934 the pack of pink salmon is more than 3,780,000 cases compared with about 2,598,000 cases of reds, statistics show.

FRUIT AND VEGETABLE MARKET COMPETITION

Carlot shipments as reported by the Bureau of Agricultural Economics, Department of Agriculture

Commodity	Week ending Sept. 30	Week ending Oct. 6		Total for season through Oct. 6.	
		1934	1933	1934	1933
Beans, snap and lima	34	43	6	12,501	10,084
Tomatoes	408	501	449	22,525	20,040
Green peas	130	124	125	6,171	7,936
All other vegetables—					
Domestic:					
Competing directly	3,696	4,081	3,743	155,502	138,041
Competing indirectly	27	24	51	379	330
Imports:					
Competing indirectly	20	23	56	178	167
Fruits:					
Citrus, domestic	1,524	1,628	1,725	125,597	126,799
imports	89	35	54	447	358
Others, domestic	4,155	3,959	4,728	80,836	72,374
imports	1	0	0	8	2
Index of fresh vegetable prices	75	73	84	.....	.....
Index of canned vegetable prices	88	88	70	.....	.....

LEAFLET PUBLISHED ON PEA PACK

With this issue of the Information Letter there is mailed the annual statistical leaflet on the pea pack. Heretofore the details of the pack by states have been carried back to the year 1908. The record has become so extended, however, that it has been necessary to omit the details for the earlier years. Accordingly there is given the average of the pack by states for the years 1908-1917. Additional copies of the leaflet may be had upon request.

COLD STORAGE HOLDINGS OF FISHERY PRODUCTS

Cold storage holdings of fishery products on September 15 were 43 per cent more than a year ago and 9 per cent over the five-year average, according to the U. S. Bureau of Fisheries. Holdings on September 15 amounted to 73,648,000 pounds, compared with 51,475,000 pounds on September 15, 1933, and the five-year average of 67,374,000 pounds.

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